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## ROUTING AND RECORD SHEET

SUBJECT: (Optional)

CCS Comments on Defense Entities Bill, H.R. 3969

FROM:

EXTENSION

NO.

DATE

21 March 1986

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1.

oc/PCS  
2D50

21 MAR 1986

ucf

Pls pull your copy

2.

c/PCS

24 MAR 1986

JA

I know I said I would show you this in draft, and I did not.

I showed it to [ ] hot out of my word processor, and he signed it and told me to move it to you and OCA asap. [ ] feels strongly that we should address the issues raised and make a conscious decision to either attempt to modify the bill, or be prepared to defend our proprietary program as a unique effort which should not be subject to the same rules written in the bill.

7.

If you have any questions, please call me on [ ]

8.

9.

10.

11.

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15.

2-3 c/ccs points out provisions in H.R. 3969 which, if applied to CIA props, would create major problems. However, I am unaware of any Congressional intent to modify our authorities. Based on what we know of DoD "competence" & handle propertious, I believe the bill's restrictions are well founded and I would recommend we keep hands off. JG

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19 March 1986

MEMORANDUM FOR: Office of Congressional Affairs

VIA: Policy Coordination Staff, DDO

FROM:   
Chief, Central Cover Staff

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SUBJECT: CCS Comments on Defense Entities Bill, H.R. 3969

1. The subject bill would authorize the Secretary of Defense to establish and manage Defense intelligence commercial entities, which are proprietaries in our parlance. CCS has examined the bill as if it pertained to our proprietary operations. Once it becomes law, the next step might well be to have its provisions apply to the Agency. CCS comments on several provisions of the bill are found in the below paragraphs.

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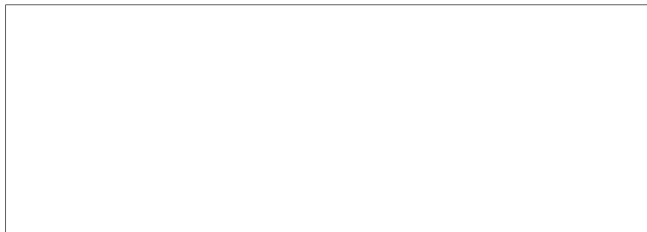
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9. As was emphasized in the beginning of this paper, the above concerns regarding this bill should be considered in the context of the possibility that provisions of the bill may eventually be made applicable to Agency proprietaries. Once the Congress passes a law to govern intelligence commercial entities of one U.S. intelligence establishment, it will be difficult for Congress to judge the operations of another intelligence organization's commercial entities by a different standard.



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